

MORNING BULLS & BEARS



Tuesday, November 16, 2021

Upcoming Reports

EIA Report – Tomorrow 9:30am
 USDA Export Sales – Thursday 7:30am
 COT's – Friday 2:30pm

Macro News

Dow futures are up 65 points at 36,074 and Crude Oil is up .05 cents at 80.93.

Stock futures gained Tuesday morning, with traders digesting key new economic data on the state of the consumer after a couple of major retailers topped quarterly earnings results. Contracts on each of the S&P 500, Dow and Nasdaq pointed to higher opens.

Grain News

T-Storm Weather Summary: In Brazil, cool fronts trigger t-storms on the southern ~50% of first-corn and ~40% of soybeans over the next few days and early next week, but only produce near- and below-normal totals over the next two weeks as areas of high pressure limit opportunities. Conversely, t-storms form within the northern ~60% of its soybeans each day as cool fronts pass into at least late-month. Argentina will be drier than normal as areas of high pressure leave humidities low with most t-storms limited to early next week over the next 10 to 14 days, but soil moisture is adequate to favorable from t-storms a few days ago; planting (and wheat harvesting) advance.

****USDA reported private sale of 270,000MT of corn for delivery to Mexico during the 2021/2022 marketing year**

****USDA reported private sale of 161,000 MT of soybeans for delivery to unknown during the 2021/2022 marketing year**

Conference Call Notes: Markets are softer this morning taking a breather from their strong move higher over the last week. Crude and the dollar are higher. \$6+ corn is moving some bushels across the midwest but farmer selling will remain light across all commodities until Dec at the earliest as farmers look to core bins. Weather forecast is favorable for fall fieldwork especially in the West. More rain coming in the East will cause delays. Fertilizer supply remains the constraint and trucking capacity is tight everywhere. US/China trade talks are a non-event so far. South American weather remains favorable.

Dalian soybean and soyoil futures are lower. Soymeal, palmoil and corn are higher. Biden and Xi talk lasted for 2 hours, and there was no discussion on China Phase 1 obligation. Corn futures lower on slow US exports. Exports down 6 pct from last year. 91 pct of crop harvested. End users are short and could be net buyers on breaks. Speculators also want to buy due to inflation talk. Some feel CH may be in 5.50-6.00 range. Drier Argentina S Brazil weather could force CH to 6.25-6.75. Argentina corn 61 pct planted. Favorable South America weather and lower US exports could keep SF in a 11.80-12.50 range. Dry S Brazil and Argentina weather needed to push SF/SH over 13.00. US soybean exports down 33 pct vs last year and USDA 10 pct drop. US harvest 92 pct. US Sep NOPA soybean crush 184 mil bu, Soyoil stocks 1,835 mil lbs and highest since May, 2020 KC futures made new highs on talk of tight World exporter supplies. WZ and KWZ resistance 8.50. Some feel KWH could rally to 8.75-9.00 if Russian and EU exports slow.

UkrAgroConsult Sees Record Romanian Winter-Crop Plantings

The planted area of main winter crops in Romania may beat the five-year average by 3%-4% and reach a new record of as much as 3.1m hectares, researcher UkrAgroConsult said in a report.

- Cites a further rebound in rapeseed area amid favorable weather in August
- Romania's winter crops are mainly wheat, barley and rapeseed

Russian Share of Turkey Wheat Imports Drops on Tax: Ulusoy

Russia's share of Turkish wheat imports has declined to 67% this year, from more than 80% typically, Gunhan Ulusoy, chairman of flour miller Ulusoy Un, said at the Global Grain Geneva conference.

- Russia's floating wheat-export tax has increased prices and also shifted shipment programs toward a spot basis
- That's given other exporters an opportunity, and the preference may linger even if the tax is eventually rowed back
- NOTE: Turkey is one of the world's largest wheat importers and typically one of Russia's top markets

Russia May Consider Regulating Domestic Fertilizer Prices: Iz.ru

Russian Agriculture Ministry proposes to develop regulatory legal act that would create an indicator of availability of fertilizers on the domestic market, Iz.ru reports, citing an obtained document.

- If fertilizers availability drops below a target level, Agriculture Ministry proposes freezing domestic prices
- Proposal is designed as a long-term measure to combat food price inflation

Australia Facing Unusual Rains at Wheat Harvest: Grain Growers

The current storms across Australia are unseasonal for this time of year and have spanned most of the country, David McKeon, CEO of Grain Growers, said on a panel at the Global Grain Geneva conference.

- Much of the grain-producing regions have had 10mm-100mm (0.4-4 inches) in the past two weeks, which is a significant amount
- There's still room for Australia to collect a high-quality crop, McKeon said
- Situation is nowhere near as bad as 2010 yet, when many farmers in the east saw grain lowered to feed-quality due to heavy rain, said Andrew Whitelaw of Thomas Elder Markets

24-Hour Precipitation Map

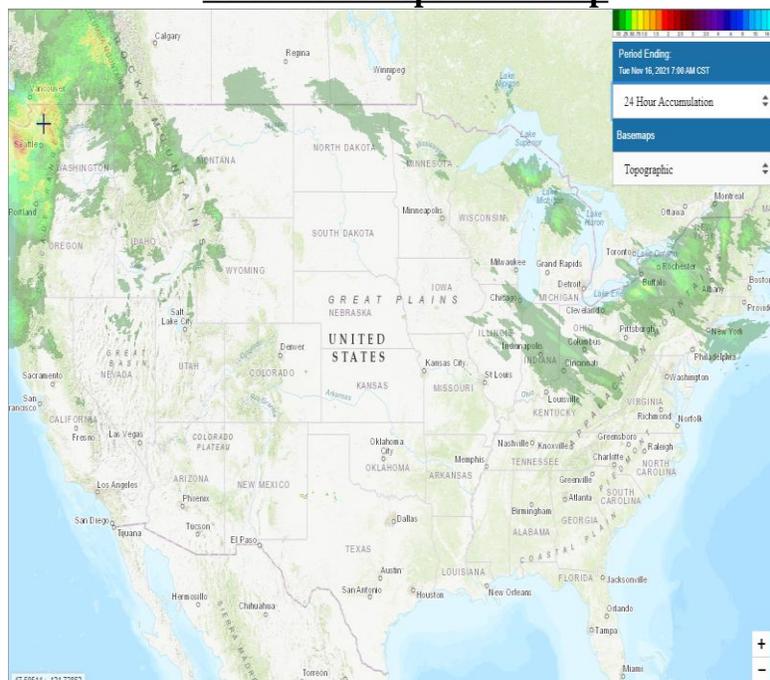


Chart of the Day

Ranking Of Countries With The Most Cattle			
World		1,000,967,000	
Rank	Country	2021	% Of World
1	India	305,500,000	30.52%
2	Brazil	252,700,000	25.25%
3	China	95,620,000	9.55%
4	United States	93,595,000	9.35%
5	European Union	85,545,000	8.55%
6	Argentina	53,831,000	5.38%
7	Australia	23,217,000	2.32%
8	Russia	17,953,000	1.79%
9	Mexico	17,000,000	1.70%
10	Uruguay	11,946,000	1.19%
11	Canada	11,150,000	1.11%
12	New Zealand	10,063,000	1.01%
13	Egypt	7,850,000	0.78%
14	Belarus	4,300,000	0.43%
15	Japan	3,922,000	0.39%
16	Korea, South	3,774,000	0.38%
17	Ukraine	3,001,000	0.30%

Source: FAS/USDA (head)